

REGULAR MEETING OF THE CALEDONIA CITY COUNCIL
CITY COUNCIL CHAMBERS, CITY HALL
CALEDONIA, MINNESOTA
Monday, May 23, 2016

CALL TO ORDER: Following due call and notice thereof, Mayor Gran called the meeting to order at 6:00 p.m. in the Council Room of City Hall.

PLEDGE OF ALLEGIANCE: Mayor Gran led the Council, City staff, and visitors in stating the Pledge of Allegiance.

ROLL CALL: Council members present: Mayor Joshua Gran, Robert Burns, Paul Fisch, Robert Lemke, and DeWayne Schroeder. City staff present: Stephanie Mann, City accountant; Adam Swann, clerk-administrator; and Mike Tornstrom, director of Ambulance Department. Visitors present: Drew Hammell; Jack Hauser; Polly Heberlein, Caledonia Street Scapes; Chuck Schulte; and Shannon Sweeney, David Drown Associates, Inc.

AGENDA: Mayor Gran moved to hold the public hearing on the amended variance immediately after the presentations. Member Burns moved to approve the agenda as amended by Mayor Gran. The motion was seconded by Member Lemke. All members voted in favor to approve the agenda as amended.

CONSENT AGENDA APPROVAL: Member Lemke moved to approve the consent agenda. Member Schroeder seconded the motion. All members present voted in favor to approve the consent agenda, and the motion was passed. The consent agenda comprised the following items:

- a. Approval of minutes for May 9, 2016 regular meeting
- b. Approval of minutes for May 11, 2016 special joint meeting with the Houston County Board of Commissioners, Caledonia City Council, and the School Board for the Caledonia Area Public Schools
- c. Approval of application from Caledonia Rotary Club to hold gambling event on 7/19/16
- d. Approval of application and permit for American Legion Post 191 to have 1-day temporary on-sale liquor license on June 17, 2016

PUBLIC COMMENT: None.

PRESENTATIONS:

- a. Chuck Schulte: Mr. Schulte expressed his interest in paying for inground pool lighting for the new Caledonia Aquatic Center and reported on his research regarding inground pool lighting.

CITY ACCOUNTANT: Stephanie Mann updated City Council on the City's cash balances and investments. Ms. Mann also reported on the City's budget and actuals through April.

PUBLIC HEARINGS:

- a. Resolution 2016-005: Resolution Approving Property Tax Abatement for Certain Property Located in the City of Caledonia
and
Resolution 2016-006: Resolution Providing for Competitive Negotiated Sale of \$1,370,000 General Obligation Tax Abatement Bonds Series 2016A:

At 7:00 p.m. the regular meeting of the City Council was adjourned to hold a public hearing on two resolutions. The first was Resolution 2016-005, which would grant a property tax abatement for 200 residential properties in the City, the revenues of which would be used to help finance the Caledonia Aquatic Center by paying the principal on approximately \$1,400,000 general obligation tax abatement

bonds. Shannon Sweeney of David Drown Associates, Inc. reviewed the proposed abatement and bonds with Council and answered questions.

The second resolution was Resolution 2016-006, which would authorize the City to hold a competitive negotiated sale of \$1,370,000 general obligation tax abatement bonds series 2016A for the purpose of helping finance the Caledonia Aquatic Center. Shannon Sweeney of David Drown Associates, Inc. explained that the bond amount was determined based on an estimated project cost of \$1,650,680 and private donations of \$280,680.00. Mr. Sweeney further explained that the bonds would be callable starting February 1, 2025 and that the bonds would not use all of the City's abatement capacity. Resolution 2016-006 set forth the terms of the sale and specified that proposals for bonds would be accepted until Monday, June 27, 2016 at 11:00 A.M. Central Time, after which proposals would be opened and tabulated by David Drown Associates, Inc., which would be reviewed and voted upon by City Council on June 27, 2016 at 6:00 P.M.

At 7:29 p.m. the public hearing on Resolutions 2016-005 and 2016-006 was closed, and the regular meeting was reconvened. Member Fisch moved to approve Resolution 2016-005, and Member Burns seconded the motion. Members Burns, Fisch, Lemke, and Schroeder voted in favor of the motion. Mayor Gran voted against the motion. The motion passed 4-1. Member Burns moved to approved Resolution 2016-006, and Member Lemke seconded the motion. Members Lemke, Burns, Schroeder, and Fisch voted in favor of the motion. Mayor Gran voted against the motion. The motion passed 4-1.

b. Resolution 2016-007: Resolution Authorizing the City of Caledonia to Act as the Legal Sponsor for a Minnesota Investment Fund Application by Tactacam, LLC: At 7:31 p.m. the regular meeting of the City Council was adjourned to hold a public hearing on Resolution 2016-007, which authorized the City of Caledonia to sponsor an application by Tactacam, LLC for an \$80,000 loan from the Minnesota Investment Fund, for purposes of making improvements to a new office building and expanding its operations in the City of Caledonia. At 7:37 p.m. the public hearing was closed, and the regular meeting was reconvened. Member Burns moved to approve Resolution 2016-007, and Member Fisch seconded the motion. Members Lemke, Burns, Schroeder, and Fisch voted in favor of the motion. Mayor Gran voted against the motion. The motion passed 4-1.

UNFINISHED BUSINESS:

a. Ambulance director: part-time vs. full-time: Stephanie Mann discussed with Council a spreadsheet of Ambulance Department wages she had prepared. The Council members reviewed and discussed the wages earned by the part-time director, assistant director, and daytime EMTs. The Council discussed with Ambulance Director Mike Tornstrom the costs and benefits of hiring a full-time director. Member Burns moved to hire a permanent full-time director of the Ambulance Department. The motion was seconded by Dewayne Schroeder. Member Burns moved for a roll-call vote. Member Burns: YES; Member Schroeder: YES; Member Fisch: YES; Member Lemke: YES; and Mayor Gran: NO. The motion to hire a permanent full-time director of the Ambulance Department passed by a vote of 4-1.

NEW BUSINESS:

a. Condition of property at 119 S. Kingston St.: Jack Hauser, one of the owners of the property at 119 S. Kingston St., was present to talk with Council about the condition of the property 119 S. Kingston St., due to complaints from area residents. Mr. Hauser said he would take care of the glass problem but said he didn't want to invest in the property. Council discussed whether the property should be treated as a nuisance or hazardous building. Mr. Hauser offered to sell the property for \$25,000. Member Lemke moved to accept the offer. Members Burns and Schroeder expressed concern that doing so would set a precedent. The motion failed for lack of a second. No further action was taken by Council.

b. Request to amend variance for 616 E. Grant St.: Council reviewed an application from Drew Hammell of 616 E. Grant Street to amend a variance previously granted in October 2015; Mr. Hammell wanted to construct a 36' x 36' garage rather than the 30' x 36' garage previously approved. Mr. Hammell

presented written documentation from his neighbors stating they did not object to the request. Mayor Gran moved to amend the variance as requested, and Member Lemke seconded the motion. All members present voted in favor of the motion, and the motion passed.

c. Waiver of limits on municipal tort liability: Council discussed whether the City should waive the statutory tort liability limits to the extent of the coverage purchased for the period July 1, 2016-July 1, 2017. The Council reviewed information provided by the League of Minnesota Cities explaining the benefits and costs of waiving the statutory tort limits. Mayor Gran moved that the City should not waive the statutory tort limits. The motion was seconded by Member Burns. All members present voted in favor of the motion, and the motion passed.

d. Authorization to upgrade controls for wastewater treatment: The Council reviewed and discussed a quote from Hoskins Electric, Inc. in the amount of \$38,774 to upgrade sequencing batch reactor (SBR) controls and add to existing supervisor control and data acquisition (SCADA) for the City's sewer treatment facility. The quote was obtained by Dan Boesen, who had informed the clerk-administrator that the work was needed in order to control nitrogen levels and keep the sewer treatment facility in compliance. The City obtained a second quote for the work, but the cost was almost double. Member Schroeder affirmed the need for the upgrades. Member Fisch moved to approve the work, and the motion was seconded by Member Schroeder. Members Lemke, Burns, Schroeder, and Fisch voted in favor of the motion. Mayor Gran voted against the motion. The motion passed 4-1.

e. Authorization to transfer funds from Liquor Store Fund to Street Scapes for water containers and benches: Member Burns moved to transfer up to \$800 from Liquor Store Fund to City's General Fund for purchase of two new benches that would be installed in front of Municipal Auditorium next to fountain. Member Fisch seconded the motion. All members present voted in favor of the motion, and the motion passed.

f. Overtime report: The Council reviewed the overtime report for City employees for the pay period April 25, 2016 through May 8, 2016. No further action was taken by the Council.

ANNOUNCEMENTS: The next regular meeting will be on Monday, June 13, 2016 at 6:00 p.m.

ADJOURNMENT: There being no further business before the Council, a motion to adjourn was made by Member Burns, seconded by Member Schroeder. All members present voted in favor, and the motion was declared carried to adjourn at 8:55 p.m.

Joshua D. Gran
Mayor

Adam G. Swann
Clerk-Administrator